

Mark-to-Market Transmittal Letter from OMHAR HQ to the PAE with Invoicing Instructions- All Regional Offices	Form 2.12
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Dear (PAE):

The invoicing process is implemented through the use of several forms. This letter describes the process and provides guidance for completing the forms:

- Form SF 3881, ACH Vendor/Miscellaneous Payment Enrollment Form
- Form 2.13, Asset Payment Authorization
- Form 2.14A, PAE Payment Invoice (Asset-Specific)
- Form 2.14B, PAE Payment Invoice (Non Asset-Specific)
- Form 2.15, OMHAR Waiver Form
- Form 2.16, Request for Change in Asset Status

To expedite the process, hard copies of the required forms are attached. The PAE may also access the electronic version of the forms via the OMHAR web site at <http://www.hud.gov/omhar/readingrm>.

Prior to invoicing, please complete Form SF 3881, ACH Vendor/Miscellaneous Payment Enrollment Form and return it to the OMHAR Headquarters to the attention of the Voucher Specialist, Room 4100, so that payments may be directed to the appropriate financial institution.

1. Asset Payment Authorization

Form 2.13, Asset Payment Authorization was created to avoid confusion regarding the maximum invoicing amounts for restructuring activities. Specifically, per the Portfolio Restructuring Agreement, this form sets out the maximum restructuring expenses, base fees and incentive fees for which OMHAR will reimburse the Participating Administrative Entity (PAE) without a waiver executed by OMHAR (see “Special Cases” below).

Complete this form for each asset in your portfolio and send to the OMHAR Regional Office. Include the information regarding the PAE and the asset, including the current asset designation, i.e., the type of restructuring activity: Full Debt Restructuring, Rent Restructuring Only or Rent Comparability Review.

The Asset Payment Authorization includes a Section D, entitled “Other Asset-Specific Items.” The restructuring activities enumerated in Section D are considered unique and will not be generally applicable. If the PAE has knowledge that a restructuring activity listed in Section D is applicable to a particular project, the PAE should so indicate on the form. If, however, at a later date, the PAE learns that a restructuring activity listed in Section D is required, the PAE should complete another Asset Payment Authorization, mark the “Revised” box, fill in a revision number (i.e., 1st, 2nd, etc.) and submit the form to the OMHAR Regional Office for approval. The PAE should provide a written explanation for the request, supporting documentation (i.e., correspondence with owners, legal documents, etc.) and an estimate of expenses, if applicable.

The Asset Payment Authorization should be completed and submitted prior to or simultaneously with the first submission of invoices. Invoices will not be processed without an Asset Payment Authorization that has been completed by the PAE and approved by the Regional Office.

The Asset Payment Authorization ensures that OMHAR provides proper repayment for restructuring activities. OMHAR will not compensate the PAE for any restructuring activity that is not included under the particular asset designation as stated in the Asset Payment Authorization.

The PAE is no longer required to submit a budget as requested in the Operational Procedures Guide, Section 2-6. The Asset Payment Authorization will be used in place of the preliminary budget.

2. Invoicing

Form 2.14A, PAE Payment Invoice (Asset-Specific) is the general invoicing document, used to request payment for restructuring activities and base and incentive fees that pertain to individual assets. The PAE Payment Invoice (Asset-Specific) also includes Schedule A, which is used to track current and prior payments to the PAE. Form 2.14A supersedes former Forms 2.3, 2.4, 2.5, and 2.6.

Complete a separate invoice for each asset for which the PAE is requesting payment and be sure to include supporting documentation, such as the original and two copies of invoices for reimbursable and third-party expenses and base and incentive fees. Invoices should describe the work performed and the hours spent. Invoices for reimbursement of appraisals, physical condition assessment reports, environmental assessments, etc., will not be approved without Regional Office acceptance of the work product. It is the responsibility of the PAE to deliver its work product to the Regional Office prior to or simultaneously with corresponding invoices. Invoices for reimbursement of travel may be sent at the conclusion of the trip.

For each asset send three copies of the PAE Payment Invoice (Asset-Specific) with original signatures to the OMHAR Regional Office for processing; no cover letter is required. For prompt payment of an invoice, please provide the Regional Office with accurate and complete documents on a monthly basis by the sixth day of the month, or the first business day thereafter.

3. Special Cases

A. Non Asset-Specific Items Requiring Reimbursement

Some restructuring expenses may apply to more than one asset. Form 2.14B, PAE Payment Invoice (Non Asset-Specific) allows the PAE to request reimbursement for restructuring activities that pertain to more than one asset or the PAE as a whole, such as travel related to technical assistance briefings and settlement of litigation that involves more than one asset in the portfolio.

Note that the PAE should receive approval for these items prior to invoicing. While there is no standard form for this pre-approval, the PAE should submit a written request, with a detailed explanation of the claim, to the Regional Office.

B. Reimbursement for Travel

OMHAR will reimburse the PAE for two forms of travel. To request reimbursement for travel related to a particular asset during the restructuring process, use Form 2.14A. To request reimbursement for travel related to technical assistance briefings and other restructuring expenses that do not pertain to a particular asset, use Form 2.14B. In addition to completing these forms attach a completed Government Travel Voucher and use government per diem rates. (See <http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/travel.shtml> for per diem rates)

C. Waivers

For any claims in excess of the maximum amount listed on the Asset Payment Authorization, the PAE may submit an OMHAR Waiver Form to the Regional Office, directed to the attention of the Relationship Manager. Include approved waivers with the corresponding invoice.

D. Changes in Asset Designation

To implement a change in asset designation (i.e., the asset changes from a Full Debt Restructuring to a Rent Restructuring, etc.) or to delete an asset from the Mark-to-Market Program, complete the following tasks:

- Complete a revised Asset Payment Authorization, Form 2.13;
- Complete a Change in Asset Status, Form 2.16; and
- Send the documents to the Regional Office.

4. Additional Information

Your contract number is _____. This number should be included on all invoicing documents. If you have any questions regarding this letter, please call **Gerald Salzman, (202) 708-3856 x3770**. If you have questions regarding the status of an invoice or a restructuring activity call the appropriate **Regional Office**.

Please note that these procedures may be amended periodically.

5. Address

Please submit invoices to the appropriate Regional Office:

OMHAR DC Regional Office
The Portals Building
1280 Maryland Avenue, SW, Suite 4400
Washington, DC 20024

OMHAR Chicago Regional Office
200 West Adams, Suite 2610
Chicago, IL 60606

OMHAR New York Regional Office
6 World Trade Center, Suite 760
New York, NY 10048

OMHAR San Francisco Regional Office
Phillip Burton Federal Building
450 Golden Gate Avenue, Room 10-4580
San Francisco, CA 94102

Sincerely,

Ira G. Peppercorn, Director
Office of Multifamily Housing Assistance Restructuring

Attachments:

- Form SF 3881, ACH Vendor/Miscellaneous Payment Enrollment Form
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